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# BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
GLOBAL PLUS 2C CONTRACTS (MC2012-5)
NEGOTIATED SERVICE AGREEMENTS

Docket Nos. MC2012-5 CP2012-10 CP2012-11

# GLOBAL PLUS 2C TO THE COMPETITIVE PRODUCTS LIST AND NOTICE OF FILING TWO FUNCTIONALLY EQUIVALENT GLOBAL PLUS 2C CONTRACTS NEGOTIATED SERVICE AGREEMENT

(January 5, 2012)

On December 30, 2011, the United States Postal Service (Postal Service) filed a request that Global Plus 2C contracts be added to the competitive product list in the above referenced dockets.<sup>1</sup> The Postal Service hereby gives notice of filing a revised version of the proposed text of the Mail Classification Schedule (MCS) for Global Plus Contracts that was included as Attachment 2C in that request. The revised version of the proposed text of the MCS that is included as Attachment 1 to this filing is identical to the version of the proposed text of the MCS that was included as Attachment 2C to the Postal Service's January 4, 2012 request that Global Plus 1C contracts be added to the competitive product list.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> Request of the United States Postal Service to Add Global Plus 2C to the Competitive Products List and Notice of Filing Two Functionally Equivalent Global Plus 2C Contracts Negotiated Service Agreements and Application for Non-Public Treatment of Materials Filed Under Seal, Docket Nos. MC2012-5, CP2012-10 and CP2012-11, December 30, 2011.

<sup>&</sup>lt;sup>2</sup> Request of the United States Postal Service to Add Global Plus 1C to the Competitive Products List and Notice of Filing Two Functionally Equivalent Global Plus 1C Contracts Negotiated Service Agreements and Application for Non-Public Treatment of Materials Filed Under Seal, Docket Nos. MC2012-6, CP2012-12 and CP2012-13, January 4, 2012. In footnote 17 of the Postal Service's January 4, 2012 Request and Notice, the Postal Service acknowledged that the proposed revision to MCS 2510.6 in Attachment 2C of its January 4, 2012 filing was "slightly different than that included as Attachment 2C in

Respectfully submitted,

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# Attachment 2C Descriptions of Applicable Global Plus Contracts<sup>1</sup>

#### 2510.6 Global Plus Contracts

#### 2510.6.1 Description

- a. Global Plus Contracts provide prices for any combination of the following: International Priority Airmail (IPA), International Surface Air Lift (ISAL), Global Bulk Economy (GBE), Global Direct (GD), Global Express Guaranteed (GXG), Express Mail International (EMI), Priority Mail International (PMI), Commercial ePacket (CeP), and International Business Reply Service (IBRS). These contracts are for high-volume mailers or Postal Qualified Wholesalers and are the only contract vehicles for IPA and, ISAL, GBE, and CeP mailings.
- b. The contracts include all destinations served by IPA, and/or ISAL, and/or GBE, and/or GD, and/or GXG, and/or EMI, and/or PMI, and/or CeP and/or IBRS as specified by the Postal Service. The preparation requirements are the same as for all IPA shipments, and/or ISAL shipments, and/or GBE shipments, and/or GXG shipments, and/or EMI shipments, and/or PMI shipments, and/or CeP shipments, and/or IBRS shipments. For GD shipments, the preparation requirements are the preparation requirements for the given product set by the receiving country. The mailer may use Postal Service-supplied labeling software, or a non-Postal Service supplied labeling software that has the same functionality as the Postal Service-supplied labeling software for EMI and PMI shipments. The software allows for preparation of address labels and Customs declarations and submission of electronic shipment information to the Postal Service, as well as prepayment of Customs duties and taxes and pre-advice for foreign Customs authorities by the Postal Service. The mailer may be required to prepare specific shipments according to country specific requirements.
- c. To qualify for a Global Plus contract, a mailer must be capable, on an annualized basis, of either tendering at least 5,000 pieces of international mail to the Postal Service or paying at least \$100,000.00 in international postage to the Postal Service.
- d. For a mailer to qualify, the contract must cover its attributable costs.
- e. Individual negotiated agreements must be on file with the Commission no less than 15 days prior to their effective date.

<sup>&</sup>lt;sup>1</sup> The revisions to MCS 2510.6 in this document are revisions to MCS 2510.6 Global Plus Contracts, as it appears in Additional Supplemental Comments of United States Postal Service on Mail Classification Schedule, PRC Docket No. RM2011-8, July 29, 2011.

# 2510.6.2 Size and Weight Limitations

#### Letters<sup>1</sup>

Size and Weight Limitations are the same as those which appear at § 1125.2 Outbound Single-Piece First-Class Mail International, Letters

	Length	Height	Thickness	Weight
Minimum	5.5 inches	3.5 inches	0.007 inch	none
Maximum	11.5 inches	6.125 inches	0.25 inch	3.5 ounces

## **Postcards**

Size and Weight Limitations are the same as those which appear at § 1125.2 Outbound Single-Piece First-Class Mail International, Postcards

	Length	Height	Thickness	Weight
Minimum	5.5 inches	3.5 inches	0.007 inch	none
Maximum	6 inches	4.25 inches	0.016 inch	not applicable

# Large Envelopes (Flats)<sup>4</sup>

Size and Weight Limitations are the same as those which appear at § 1125.2 Outbound Single-Piece First-Class Mail International, Large Envelopes (Flats)

	Length	Height	Thickness	Weight
Minimum  At least one  dimension  exceeds	11.5 inches	6.125 inches	0.25 inch	none
Maximum	15 inches	12 inches	0.75 inches	4 pounds

# Packages (Small Packets)

Size and Weight Limitations are the same as those which appear at § 1125.2 Outbound Single-Piece First-Class Mail International, Packages (Small Packets)

	Length	Height	Thickness	Weight
Minimum	large enough to accommodate postage, address, and other required elements on the address side			none
Maximum	24 inches			4 pounds
	Length plus height plus thickness of 36 inches			

#### Rolls

Size and Weight Limitations are the same as those which appear at § 1125.2 Outbound Single-Piece First-Class Mail International, Rolls

	Length	Length plus twice the diameter	Weight <sup>1</sup>
Minimum	4 inches	6.75 inches	none
Maximum	<del>36 inches</del>	42 inches	4 pounds

#### Global Express Guaranteed

Size and Weight Limitations are the same as those which appear at § 2305.2 Outbound International Expedited Services, Size and Weight Limitations, Global Express Guaranteed

#### Express Mail International

Size and Weight Limitations are the same as those which appear at § 2305.2 Outbound International Expedited Services, Size and Weight Limitations, Express Mail International

	<u>Length</u>	<u>Height</u>	<u>Thickness</u>	<u>Weight</u>
<u>Minimum</u>	<u>none</u>	<u>none</u>	<u>none</u>	See Note 1
<u>Maximum</u>	36 inches			
	79 inches in co			

#### Notes

1. Country-specific restrictions may apply as specified in the International
Mail Manual

#### Priority Mail International

Size and Weight Limitations are the same as those which appear at § 2315.2 Outbound Priority Mail International, Size and Weight Limitations

	Length	Height	Thickness	Weight <sup>1</sup>
Minimum	5.5 inches	none	3.5 inch	none
Maximum	42 inches		70 pounds	
	79 inches in combined length and girth			

#### **Notes**

 Weight and other exceptional size limits based on shape and destination country restrictions may apply as specified in the International Mail Manual.

#### 2510.6.3 Minimum Volume or Revenue Requirements

Mailers must commit to tender varying minimum volumes or postage on an annualized basis. The minimum volume requirement for GBE is 100 pounds per mailing. The mailer may be required to meet a volume minimum or weight requirement to use Global Direct service. If paying through permit imprint, the mailer is required to meet the minimum volume or weight requirements in effect for manifest mailings. For EMI paid through an Express Mail Corporate Account (EMCA), there is no minimum volume requirement per mailing.

## 2510.6.4 Price Categories

The discount percentage or price, as applicable to the service, is dependent upon volume or postage commitment on the part of the customer. Additional tiered discounts are available if the mailer exceeds the minimum volume or postage commitment. Also, separate charges apply if the customer uses labeling, harmonization, or return services.

The following price categories are available for the product specified in this section:

- Global Plus IPA
- Global Plus ISAL
- Global Plus GBE
- Global Plus GXG
- Global Plus EMI
- Global Plus GD
- Global Plus PMI
- Global Plus CeP
- Global Plus IBRS

#### 2510.6.5 Optional Features

The following additional services may be available in conjunction with the product specified in this section:

- Pickup On Demand Service: EMI and PMI only
- International Ancillary Services (2615)
  - International Certificate of Mailing: IPA, PMI Flat Rate Envelope only (2615.1)
  - International Insurance: EMI, PMI parcels only (2615.5)
  - Outbound Competitive International Registered Mail: PMI Flat Rate Envelope only (2615.2)
  - International Restricted Delivery: PMI Flat Rate Envelope only (2615.4)
  - International Return Receipt: EMI, PMI only (2615.3)
- For GD, all optional features applicable to the product as set by the receiving country.

- For IPA, optional features may include Commercial ePacket service, which is a delivery confirmation with scanning service available for IPA items to certain destinations.
- Software-Related Services: EMI and PMI only
  - Labeling
     At the mailer's request, the Postal Service will arrange for labels and Customs declarations to be applied.
  - Harmonization
     At the mailer's request, the Postal Service will arrange for classification of merchandise according to country specified Customs regulations to determine applicable duties and taxes.
    - Returns
      At the mailer's request, the Postal Service will contract with a returns center appropriate for the particular country. The returns center inspects the goods it receives from the mailer's customers and returns the goods in bulk to the mailer in the United States. The Postal Service invoices the mailer for appropriate charges. The Postal Service may also charge for certain Express Mail International and Priority Mail International undeliverable-as-addressed returns when customs duties have been prepaid.

# 2510.6.6 Products Included in Group (Agreements)

Each product is followed by a list of agreements included within that product.

• Global Plus 1A (expires January 1, 2011)

Baseline Reference

Docket Nos. MC2010-26, CP2010-67, and CP2010-68 PRC Order No. 504, July 30, 2010

#### Included Agreements

CP2010-67, expires the day prior to the date of any change in the published rates that affect the Qualifying Mail in this Agreement CP2010-68, expires the day prior to the date of any change in the published rates that affect the Qualifying Mail in this Agreement

Global Plus 2A (expires January 16, 2011)

Baseline Reference

Docket Nos. MC2010-27, CP2010-69, and CP2010-70 PRC Order No. 505, July 30, 2010

Included Agreements

CP2010-69, expires January 16, 2011 CP2010-70, expires January 16, 2011

#### Global Plus 1B

Baseline Reference

Docket Nos. MC2011-7, CP2011-39, and CP2011-40 PRC Order No. 622, December 23, 2010

#### Included Agreements

CP2011-39, expires the day prior to the date in January 2012 of any change in the published rates that affect the Qualifying Mail in this Agreement or January 31, 2012, whichever occurs earlier CP2011-40, expires the day prior to the date in January 2012 of any change in the published rates that affect the Qualifying Mail in this Agreement or January 31, 2012, whichever occurs earlier

#### Global Plus 2B

Baseline Reference

Docket Nos. MC2011-8, CP2011-41, and CP2011-42 PRC Order No. 623, December 23, 2010

#### Included Agreements

CP2011-41, expires the day prior to the date of any change in the published rates that affect the Qualifying Mail in this Agreement or January 31, 2012, whichever occurs earlier

CP2011-42, expires the day prior to the date of any change in the published rates that affect the Qualifying Mail in this Agreement or January 31, 2012, whichever occurs earlier